



**CITY OF ASHEVILLE
and
ASHEVILLE REGIONAL HOUSING CONSORTIUM**

**HOME Investment Partnerships Program
and
Community Development Block Grant Program**

**APPLICATION FOR FUNDING
for
CONSTRUCTION
PROJECTS**

**for grant year starting
July 1, 2007**

**Application workshop:
December 8, 2006, City Hall 6th Floor - 10:00 a.m. – 12 noon**

**** Pre-application form to be submitted by all applicants by December 29, 2006 ****

Which Form?	<p>This form is to apply for CDBG or HOME funds for construction projects. <u>There is a separate form for non-construction projects</u>. If in doubt, please contact Community Development staff. Construction includes:</p> <ul style="list-style-type: none"> New housing construction Housing rehabilitation Commercial construction or rehabilitation Construction or improvement of public facilities Construction of public improvements Land acquisition or site improvement preparatory to construction
CDBG or HOME?	<p>This is not a simple question, since the programs do overlap. Here are some guidelines:</p> <ul style="list-style-type: none"> • CDBG assistance is limited to projects within the City of Asheville • HOME funds may be used anywhere in the Consortium (Buncombe, Henderson, Madison, and Transylvania counties). • Non-Housing projects – CDBG only • New housing construction – HOME only (except for Community Based Development Organizations which may use CDBG for new housing construction in Asheville). <p>If in doubt, please contact City of Asheville staff. If the project is eligible for both sources of funding you must choose which one to apply for, as HOME and CDBG should not be requested for the same project.</p>
Eligible Applicants	<p>HOME applicants must be:</p> <ul style="list-style-type: none"> • Consortium member governments; <u>or</u> • Non-profit agencies or for-profit corporations applying <u>through</u> a member government (outside Asheville: contact your member government for additional application requirements); <u>or</u> • Non-profit Community Housing Development Organizations (CHDOs). <p>CDBG applicants must be:</p> <ul style="list-style-type: none"> • Non-profit agencies with a primary purpose of providing housing, human services or economic development services within the City of Asheville. <p>“Non-profit” means having a 501c(3) tax exemption notice from the IRS.</p> <p>All applicants must demonstrate a track record of continuous, active, and relevant operation for at least two years.</p>
Income Eligibility	<p>In general, all projects must benefit persons with household income below 80% of area median income adjusted for family size (see table on Page V). Special conditions apply to HOME-assisted rental projects and to CDBG-assisted non-housing projects.</p>
Grant Period	<p>The funding period starts July 1, 2007. Costs incurred before that date cannot be reimbursed. It is expected that all projects will be completed and occupied by</p>

December 2009 at the latest (June 2009 for owner-resident rehabilitation activities).

Pre-Application	<u>All interested applicants must submit a pre-application form by Friday, December 29, 2006.</u> Applications should be submitted to Adria Hardy at the Asheville Community Development Division office – ahardy@ashevillenc.gov .
Pre-Application Meeting	Applicants who have not previously received CDBG or HOME funding for the same, or a very similar, project must set up a meeting with CD Staff, before submitting their full application, to discuss program eligibility and other requirements. Otherwise, the project may not be accepted.
Special Conditions	Construction projects must comply with federal rules for: environmental review, “Davis Bacon” wage rates, real property acquisition, contract procurement, lead based paint, and (for large projects) HUD Section 3 economic opportunity. Because of these conditions, HOME and CDBG funds cannot be provided for construction projects that are scheduled to start before July 1, 2007. Please also note that the <u>intention</u> to use federal funds for a project triggers federal acquisition and relocation regulations affecting real estate purchase.
Invalid Applications	Applications may be rejected without evaluation for the following reasons: <ol style="list-style-type: none">1) Program not clearly eligible according to CDBG/HOME regulations.2) Applicant has demonstrated poor past performance in carrying out CDBG- or HOME-funded programs, or complying with federal regulations.3) Applicant fails to provide audited financial statements or other required information.
Project Evaluation & Funds Allocation	<p>Applications will be evaluated by staff and assigned scores according to criteria based on the priorities in the Consolidated Strategic Plan, the feasibility of the project, and the capacity of the agency to carry it out. These scores will be used as a guide in allocating funds, but will not be the sole factor in determining whether a program will be funded or how much funding it will receive.</p> <p>After this initial evaluation, CDBG applications will be reviewed by the City of Asheville's Housing and Community Development Committee and HOME applications by the Asheville Regional Housing Consortium Board. These bodies will present their allocation recommendations to the Asheville City Council in the form of a Consolidated Action Plan for the CDBG and HOME programs. In addition, the City will seek citizen input on the Plan through public hearings and written comments. The schedule is on the next page.</p>

Applicants should understand that this is a competitive application process for limited funding. There will be applications for projects that satisfy many of the evaluation criteria but are not funded. Successful applications may be funded for less than the amount requested.

Schedule for CDBG & HOME Planning for 2007

2006	Action
November 14 (Tuesday)	Public Hearing in Brevard
November 15 (Wednesday)	Public Hearing in Asheville
December 8 (Friday) (10:00 – 12:00 Asheville City Hall, 6th floor training room)	Training session for applicants. You are strongly advised to attend
December & January	1-on-1 Technical Assistance – required for new applicants
December 29 (Friday)	Deadline to submit pre-application form
2007	Action
January 31 (Wednesday)	Deadline for applications
February	Staff review of applications
March 14 (tentative)	HOME applicant interviews
March 12 – 21 (to be arranged)	CDBG applicant interviews
March 25 (Sunday)	Draft Plan published for public comment
April 10 (Tuesday)	Asheville City Council: Public Hearing on draft plan
April 20 (Friday)	Deadline for citizen comments on draft plan
April 24 (Tuesday)	Asheville City Council approves Plan
May 11	Deadline for submitting Plan to HUD

Income Limits For Extremely Low, Very Low, and Low Income Households

(Based on HUD data on area median family income for FY 2006.

We expect to receive revised limits for 2007 early next year)

County	Category	% AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Buncombe, Henderson & Madison (incl. City of Asheville)	Extremely Low Income	<30%	10,550	12,100	13,600	15,100	16,300	17,500	18,700	19,950
	Very Low Income	31-50%	17,650	20,150	22,700	25,200	27,200	29,250	31,250	33,250
	Low Income	51-80%	28,200	32,250	36,250	40,300	43,500	46,750	49,950	53,200

AMI = Area Median Family Income

County	Category	% AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Transylvania	Extremely Low Income	<30%	10,850	12,400	13,950	15,500	16,400	18,000	19,200	20,450
	Very Low Income	31-50%	18,050	20,650	23,200	25,800	27,850	29,950	32,000	34,050
	Low Income	51-80%	28,900	33,050	37,150	41,300	44,600	47,900	51,200	54,500

Client Income eligibility: HOME- and CDBG-assisted programs must serve low income clients (less than 80% of AMI). For HOME rental programs lower income limits apply. For all HOME programs and for CDBG programs providing direct financial benefits, **all** clients must meet income eligibility limits. For other CDBG programs at least 51% of clients must meet income limits. Certain categories of CDBG clients e.g. the homeless, may be presumed to meet income limits. If you are not sure about your program's eligibility, please call CD staff.

Client Income Tracking: As well as ensuring client eligibility, HUD requires us to report the numbers of clients served in each of the three income groups listed above.

DETAILED APPLICATION INSTRUCTIONS

- **All applicants must submit a pre-application form by Friday, December 29, 2006.** Applicants who have not previously received CDBG or HOME funding for the same or a very similar project must set up a meeting with CD staff in December or January, before submitting their full application.
- Submit original and four copies of **full application** by 5:00 PM on **Wednesday, Jan. 31, 2007.**
- Forms may be submitted by hand at Asheville City Hall, Fifth Floor, or by mail to:
City of Asheville
Community Development Division
Post Office Box 7148
Asheville NC 28802-7148
- Electronic submission is acceptable for the pre-application form, but not for the full application form.
- **Please complete each question directly on the application form.** Attachments should only be used to provide supplemental information. The application form may be completed manually or reproduced in your word processor system (recommended). The application form can be downloaded from the City website at <http://www.ashevollenc.gov/planning/cdbg.htm>
- Applications should be fastened with a paper clip or other fastening that can easily be undone for copying. Please do not use binders, covers, or staples.
- Applications should start at Page 1 (Application Information). Do not include a cover letter or the instruction pages; any covers will be discarded.
- The required attachments listed on Page 2 should be attached at the back of the original application in the order listed. They may be omitted from the copies.
- Additional printed documentation, photographs and maps may be placed immediately behind the page they refer to. They should be included in all four copies. All pages of your application including insertions should be numbered consecutively.
- Narrative responses should be 1½-spaced in a typeface no smaller than 11-point.
- **Applications exceeding 20 pages (excluding required attachments) and pages larger than 11x17 or in color are strongly discouraged. We may require you to furnish up to 15 additional copies of such applications at your own expense.**
- Please read all questions and instructions carefully. **The care that goes into accurately and informatively completing this application is evidence of your agency's ability to manage the complexities of CDBG and HOME program requirements.**

Staff in the City's Community Development Division will be happy to answer questions about the CDBG and HOME programs, this form and the application process, but cannot assist in writing applications or offer comment on drafts. Tel. 259-5728; e-mail: ahardy@ashevollenc.gov

PRE-APPLICATION FORM

Construction

All applicants must submit a pre-application to Adria Hardy – ahardy@ashevillenc.gov
Please submit this form (one page) as early as possible,
and no later than Friday, December 29, 2006

Name of Applicant: _____

Provisional Name of Project: _____

Contact Person: _____

Address: _____

City/State/Zip: _____

Telephone Number: _____

Project Type (check one or more):

- _____ New Housing Construction for Homeownership
- _____ New Housing Construction for Rental
- _____ Owner-occupied rehabilitation (other than Emergency Repairs)
- _____ Rental Rehabilitation
- _____ Property Acquisition for new housing construction
- _____ Construction of public improvements or public facilities
- _____ Construction or Rehabilitation of commercial facilities
- Other: _____

Brief Description: _____

Applying for (check one): ☐ CDBG funds ☐ HOME funds ☐ Not sure yet

Likely amount of request (check one): _____ less than \$50,000
 _____ \$50,000-100,000
 _____ more than \$100,000

Check one of the following statements:

- _____ We have previously received CDBG or HOME funds for this project or one very similar and do not need one-on-one technical assistance before submitting our application.
- _____ We have not previously received CDBG or HOME funds for this project and request one-on-one technical assistance before submitting our application.

**CITY OF ASHEVILLE
ASHEVILLE REGIONAL HOUSING CONSORTIUM**

**Application for Funding
for a
CONSTRUCTION PROJECT**

This is an application for:

(Check only one box)

☐

CDBG

☐

HOME

**SECTION I
APPLICATION INFORMATION**

Full Legal Name of Applicant: _____

Name of Project: _____

Contact Person: _____ Title: _____

Telephone Number: _____ Email: _____

Agency Address: _____

City, State, Zip: _____

Total Funds Requested: \$ _____

Applying for CDBG funds as: ☐ Asheville CDBG Subrecipient

☐

City Department

-Or-

Applying for HOME funds as:

☐

Asheville HOME Subrecipient

☐

Other Member Government

Subrecipient agency, if any: _____

☐

CHDO

To the best of my knowledge and belief all data in this application are true and current. The document has been duly authorized by the governing board of the applicant.

Signature _____

Mayor/Chair of Board

_____ Date

CHECKLIST OF DOCUMENTATION INCLUDED WITH THIS APPLICATION:(Place an **x** in each box to show that you have included each item)**You must provide an ORIGINAL plus FOUR COPIES of the following sections in the order listed:**

- ☐ Application Information
- ☐ Project Description (including location and site maps)
- ☐ Program Budgets & Pro-forma
- ☐ Agency Management
- ☐ Disclosure of Potential Conflicts of Interest

Other Required Attachments: Please provide ONE COPY of each of the following documents, unless they are already on file with the City:

- ☐ An **organizational chart**. Highlight staff who will be responsible for this project.
- ☐ By-Laws, Articles of Incorporation, and 501c(3) determination letter.
- ☐ A copy of your most recent **audited financial statement**, including the auditor's management letter if one was issued.
- ☐ If you have completed a financial year that has not yet been audited, please also attach your most recent **un-audited financial statement**.
- ☐ A complete list of the members of your **Board of Directors**. Include addresses, phone numbers and relevant affiliation.
- ☐ A copy of your **ADA Policy**.

SECTION II PROJECT DESCRIPTION

Project Title: _____

Project Location: _____

II.A Type of Activity (check one)

- | | |
|--|--------------------------------------|
| ____ New construction for Homeownership | ____ New construction for rental |
| ____ Owner-Occupied Rehabilitation | ____ Rental Rehabilitation |
| ____ Acquisition/Rehab/Resale | ____ Predevelopment Loan (HOME only) |
| ____ Public Facility or Improvement (CDBG only) | |
| ____ Commercial Property Improvement (CDBG only) | |
| ____ Other (specify): _____ | |

II.B. Description of Project. Provide a general overview of your project, including what you are planning to produce, your target client group, and how you plan to carry out the project.

II.C. Project Details. Please provide the information requested below. You may answer the questions in the blanks provided. Feel free to add additional lines where necessary. **Where the question is not applicable or no information is available, insert N/A.**

Site

1. What is the size of development site? _____ acres
2. Describe the access to transportation, employment centers, shopping for basic needs, community services:

3. What is the current site zoning and the status of any required planning reviews?

4. Please attach the following:
 - ☐ Site map showing lot boundaries, street access, location of structure(s), and other site features
 - ☐ General location map showing development site in relation to streets and points of interest in the surrounding neighborhood (**at least ½ mile radius**). Waterways and railroads must be shown.
 - ☐ If you already own the site or property, submit a copy of the deed and describe all existing liens or deeds of trust on the property. If the site is currently under an option agreement, submit a copy of the option and purchase agreement.

Property Acquisition

1. Has agency acquired real property in order to carry out the project, or is property acquisition planned?

2. Has property owner been informed of your intention to use federal funds for this project? **If so, attach letter.** _____
3. Is the property currently occupied? If so, state the number of tenants and describe in detail how you will determine relocation needs and help occupants to relocate in accordance with Uniform Relocation Act. Include the cost of this in your budget. **If you have issued a General Information Notice to tenants informing them of their rights to relocation assistance, attach a copy.**

Construction Detail

1. How many units will be newly constructed: _____? Rehabilitated: _____?
2. What is the square footage of each unit: _____? Number of bedrooms/baths: _____?
3. Will project participate in an externally monitored energy efficiency program (e.g. Energy Star)? If yes, please provide details:

4. How many units will have full ADA accessibility: _____;

5. How many others will have at least the following accessibility features: _____:
- An at-grade or ramped entrance to the main floor or the capability to easily install a ramp later on (i.e. not more than three steps); and
 - All doorways and passageways on the main floor at least 32" wide; and
 - A bathroom or half-bath on the main floor that will accommodate a wheelchair (**show dimensions of unobstructed floor area on floor plan**)
6. Please attach the following:
- ☐ Floor plan - Annotate floor plan to show ADA features if present. Annotate sketch to emphasize design features that you consider particularly attractive and compatible with other buildings in the neighborhood
- ☐ Sketch of finished building(s)

Lead-Based Paint (Rehab projects only)

Describe in detail how you plan to address lead-based testing and abatement or hazard control on any property built before 1978.

Affordability, Marketing, & Supportive Services

1. What are the proposed rents or sales prices for completed housing units? For rental units, estimate utility costs.

2. Explain your process for marketing to ensure an adequate pool of income-eligible renters or buyers:

3. Describe any steps planned to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, buy-back options, etc.

4. Will services be coordinated with the project that will help ensure occupants' long-term housing success? If so, please describe. _____

Infrastructure and Public Facilities (attach maps to illustrate information below)

1. How many households will have direct access to improved infrastructure? _____
2. How many vacant lots will be provided with water/sewer availability? _____
3. How many persons will have improved transportation accessibility? _____

II.D. Project Team.

Identify the project team by name, job title, and employment status (employee, independent contractor, or volunteer), and describe each person's relevant experience and specific responsibilities in this project. If the team is not yet assembled, then describe how you will select them.

For Rehab projects only: List all project staff who have completed training in Lead Safe Work Practices (with date) or have any more extensive training in Lead Based Paint hazard control.

II.E Timetable.

Please complete a **detailed** and realistic timetable showing when each work task will be completed (e.g. planning, obtaining financing commitments, design, environmental review, bidding, loan closing, key milestones in construction, marketing, final inspection, occupancy, etc.). The larger the project, the more detail we expect to see. Your timetable must reflect an expectation of starting construction or expending a significant amount of funding before June 30, 2007, and of completing the project by December 2009 (June 2009 for owner-resident rehabilitation activities).

Work Tasks	Start Date	Completion Date

II.F. Client Demographics. Please complete the following tables to the best of your ability. Show actual or estimated numbers of beneficiaries, **not percentages**, in each category. In general you should count **households** as the beneficiaries for housing programs and **persons** for non-housing programs. Current income limits are at page V of the instructions.

Income Group	Number
<30% of area median income (AMI)	
31-50% of AMI	
51-80% of AMI	
>80% of AMI*	
TOTAL	

* Seek advice from City of Asheville staff if your project will benefit any people above 80% AMI.

Special Needs Beneficiaries (if applicable)

Category	Number
Elderly (over 60)	
Disabled (not elderly)	
Homeless	
People with HIV/AIDS	

CDBG Area Benefit Activities only (Infrastructure, Public Facilities)*

Street	Census Tract	Block Group	Total Persons	#LMI Persons

*If assistance is needed, please call CD staff

SECTION III PROJECT BUDGET AND FUNDING

III.A. Costs

Be as detailed as possible. Add or amend categories as needed. **For all * items, you must add details on how the costs have been estimated.** The second column should cover total project costs (including those met from HOME or CDBG), the third column shows how much of each line item is to be met from HOME or CDBG. Totals must be consistent with the revenues shown in section IIIA.

Category (add/amend as needed)	<u>All</u> Costs	This grant/loan only
Construction Period		
Acquisition	\$	\$
Relocation*	\$	\$
Demolition/Clearance*	\$	\$
Site improvements*	\$	\$
Rehabilitation*	\$	\$
New construction*	\$	\$
Construction contingency	\$	\$
Architect/Engineer fees	\$	\$
Construction loan fees	\$	\$
Construction interest	\$	\$
Construction period taxes	\$	\$
Legal/Accounting	\$	\$
Other Prof. fees (Appraisal etc)	\$	\$
Agency project delivery costs (if no developer fee)	\$	\$
Other pre-construction or construction period costs:	\$	\$
	\$	\$
	\$	\$
Permanent		
Permanent loan fees	\$	\$
Developer fee	\$	\$
Reserves	\$	\$
Other	\$	\$
Total Development Costs	\$	\$

III.B. Revenues

Show total revenues for the project, including funds already expended. If project financing structure will change when construction is completed, then you should complete the “Permanent” financing column, if not, then leave column blank. Attach funding commitment letters where available or copies of funding applications you have submitted.

Source	Committed?	Construction Period	Permanent (if different)
This Grant (or loan)	No	\$	\$
Prior year HOME*	Yes	\$	\$
Prior Year CDBG*	Yes	\$	
HOME program income or CHDO proceeds	Yes	\$	\$
CDBG Program Income or CBDO proceeds	Yes	\$	
Other grants (list):		\$	\$
		\$	\$
		\$	\$
		\$	\$
Support from the Public		\$	\$
Bank Loans etc.		\$	\$
Other sources (list):		\$	\$
		\$	\$
Total Revenues		\$	\$

* HOME or CDBG funds received from the state should be treated as “other grants”

III.C. Terms of Project Funding. Specify the requested amount and terms of your CDBG or HOME funding request, along with the details of all other loans listed above for the project.

CDBG/HOME funding is sought in the form of a: ☐ Grant ☐ Loan (check one)

State amounts and terms for all loans (if not known, tell us your working assumptions)

Source	Amount	Term (years)	Interest Rate	Amortizing Y/N	Any other requirements

III.D. Pro Forma (Rental Property Only)

If you are developing property for rent (commercial or residential), attach a 20-year pro forma showing estimated income, expenses, net operating income, debt service, and net cash flow.

III.E. Secondary Financing to Homebuyers (homeownership projects only)

Complete this table for homeownership development, where assistance is being provided to the homebuyer, either through the rollover of the project's CDBG or HOME construction funding or other sources.

Loan / Subsidy Source	Average Homeowner Subsidy Amount per unit	Terms	Position
	\$		
	\$		
	\$		
	\$		

III.F. HOME Match (HOME funded projects only)

List the project revenues which will count as matching funds (non-federal funds that are permanently contributed to the project). Include any in-kind contributions of materials and labor, including sweat equity, at \$10 p.h. If in doubt whether funds will count as match, please call Sherman Fearing at (828) 259-5725.

Revenue Source	Amount
	\$
	\$
	\$

III.G. Program Income , CBDO and CHDO Proceeds

(This section is to be completed only by Buncombe & Madison Counties, HAC, Habitat, NHS, MHO, MMLF & WCCA.)

Program income and CBDO and CHDO proceeds are income directly generated by the use of CDBG, HOME, or other Federal funds. Examples include the repayment of CDBG or HOME loans that you have made, the net proceeds from the sale of homeowner units, or rent of assisted property. ***If you have any questions, please contact CD staff.***

1. List the specific programs operated by your organization that generate CDBG or HOME program income or CBDO or CHDO proceeds:
2. How does your organization currently use program income/CHDO or CBDO proceeds?
3. Complete the following table for your organization's on-hand and projected CDBG and HOME program income. Remember to include program income from all of your CDBG or HOME programs.

	CDBG Program Income	CBDO Proceeds	HOME Program Income	CHDO Proceeds
Balance at 12/31/06	\$	\$	\$	\$
Estimated receipts 1/1/07 – 6/30/07	\$	\$		
Proposed Program Use & Amount	Program / Amount	Program / Amount	Program / Amount	Program / Amount

SECTION IV AGENCY DESCRIPTION

Please provide the following information for the agency that will actually carry out the project.
Member governments carrying out projects entirely with their own staff may omit this section.

IV.A. Organization

1. What is your organization mission statement?
2. Incorporation date (Month and Year)?
3. Estimated Total Agency Budget for FY 2006: \$ _____
4. Total number of agency staff (full time equivalents) _____
5. Does your organization have any of the following written management policies: If recently updated or not already on file with the City, please attach.

Policy	Yes	No	Date Last Updated	On file with City ?
Personnel policy				
Purchasing policy				
Code of conduct				
Indirect Cost Allocation Plan				

IV.B. Agency Track Record

Please describe what makes your agency particularly qualified to carry out the program described in Section II. (This may include your past achievements in carrying out similar projects, experience of key staff, collaborative relationships with other agencies, or recent new initiatives.)

IV.C. Board of Directors

1. How many board members should you have according to your by-laws?
2. How many do you actually have at this date?
3. How often does your board meet?
4. What was the actual attendance at each of the last three regular Board meetings?
5. Have you failed to reach a quorum at any Board meetings in the last 12 months?
6. What efforts do you make to ensure that your board represents the community it serves?

SECTION V

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

- a) Employees of or closely related to employees of the City of Asheville
**or the member government through which this application is made:* YES ____ NO ____
- b) Members of or closely related to Members of Asheville City Council
or the Council or Commission of the member government through which this application is made: YES ____ NO ____
- c) Current beneficiaries of the program for which funds are requested: YES ____ NO ____
- d) Paid providers of goods or services to the program or having other financial interest in the program: YES ____ NO ____
- e) Creditors (i.e. persons who have made loans to the agency or provided loan collateral) YES ____ NO ____

If you have answered YES to any question, **please attach a full explanation.** The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an **undisclosed** conflict may result in the termination of any grant awarded.